Reclamation Manual
Directives and Standards

TEMPORARY RELEASE
(Expires 01/28/2013)

Student Loan Repayment Benefit (SLRB) Service Agreement
Bureau of Reclamation

Title 5 U.S.C. 5379 allows for the repayment of outstanding federally insured or guaranteed student loans that are made by educational institutions or banks and other private lenders as authorized by the Higher Education Act of 1956 and the Public Health Service Act, and defined in 5 CFR 537.102. Student loan repayments are made directly to the lender and are subject to the conditions stated in this agreement. Use of this authority in no way constitutes a right, promise, or entitlement for continued employment or noncompetitive conversion to the competitive service.

Subject to the conditions stated in this agreement, Reclamation agrees to provide a SLRB to:

Employee name: _____

Social Security Number: _____

Title, Series, Grade: _____

Organization and Organization Code:

_____
_____
_____

Other Incentives Offered to Employee:

Incentive:_____Period of Time: _____ Amount: _____ Performance Rating: ___
       (type)   (years)   (if known)

Conditions of Loan Repayment:

I, _____, as the employee receiving the repayment, agree to complete at least 3 years of service with the Reclamation[1], maintain a Superior or above level of performance, continue to make loan repayments on the portion of the loan that continues

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[1]In rare cases, when appropriate and with the approval of regional director or the Director, Policy and Administration, the agreement may be extended beyond 3 years due to unforeseen circumstances (e.g., the employee enters into non-pay status – Leave without Pay – for an extended period of time, sabbatical, etc.) outside the Federal service. This determination must be based on a written description of the extent to which the employee's departure would affect Reclamation's ability to carry out an activity or perform a function essential to its mission.

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to be my responsibility, and not violate any of the conditions of this service agreement. I also agree to provide my regional human resources (HR) office with current official documentation from the appropriate lending institution that states the outstanding loan balance and certifies that the loan is authorized by the Higher Education Act of 1965 or the Public Health Service Act.

The service period begins when Reclamation makes the first payment to (lender name and address):

_____
_____
_____
_____
_____

When a repayment is authorized for recruitment purposes, the first payment may be made no sooner than the date the repayment was authorized and the employee enters on duty in the position for which he/she was recruited.

In return, Reclamation (through the Department of the Interior Payroll Office) will make the agreed upon payment(s) for the specific outstanding federally insured or guaranteed loan designated under the following terms:

Total amount of repayment: _____ (May be up to but not more than $60,000 gross).

Number of years the repayment may be made: _____.

Amount of repayment to be made each calendar year: _____ (maximum not to exceed $10,000 gross).

Length of the Service Agreement in years: (circle one)   3   4   5   6

Continuing Employee Responsibilities

I understand that it is my responsibility to make loan payments on the portion of the loan(s) that continues to be my responsibility, and that this benefit augments and does not replace my responsibility to make payments. *My failure to make these loan payments will violate this agreement and terminate my eligibility for further loan repayment benefits*.

I also understand that each year, before another repayment will be made, I must provide my regional HR office with official documentation (dated within 30 days of new year's repayment date) from the lending institution that shows the current outstanding loan balance and certify that I have continued to make my payments during the previous year.

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Loan Repayment Procedures

The National Business Center's Payroll Operations Division (Reclamation's current payroll provider) will make one payment annually to

_____(LENDER).

The net amount of the repayment will be disbursed to the loan holder not directly to me; however, it is the gross amount that is applied to my annual and lifetime payments. Taxes and withholdings will be deducted from the gross amount of the loan repayment amount.

I understand that my W-2 Form, Wage and Tax Statement, will show the gross amount of the repayment as wages and taxes and other assessments deducted from the gross amount will be shown in their appropriate categories on the W-2 Form. Payments to lenders will be in the form determined by the Payroll Operations Division. The Department is not responsible for any late fees or penalties assessed by the loan holder(s) prior, during or subsequent to this agreement.

Termination and Reimbursement of SLRB

I understand that I will no longer be eligible for a SLRB if I, during the service period, voluntarily end my employment with Reclamation (this includes leaving to enter the service of another bureau within the Department), do not maintain an acceptable level of performance, fail to make loan payments that continue to be my responsibility, violate any of the conditions of this agreement, or leave the Reclamation organization/office that initiated the student loan repayment benefit for another Reclamation organization/office that decides not to continue the loan repayment.

I understand that I am responsible for repaying Reclamation the entire gross amount of the loan paid, if during the service period, my employment with the Department ends. This includes, if I voluntarily leave Reclamation to enter the service of another non-Department Federal agency or transfer to another bureau within the Department and then leave the Department, or if I am separated due to misconduct or performance.

I understand this is a tentative agreement, and will be revisited annually to confirm eligibility requirements are met.

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Certification:

I certify that I have received this service agreement and understand and agree with the conditions included in the agreement.

_____   _____

Employee Signature   **Date**

_____   _____

Supervisor/Manager Signature   **Date**

_____   _____

Servicing HR Office Representative Signature   **Date**